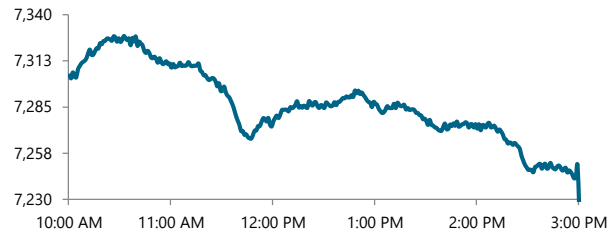
Daily Markets Overview

1 July 2020

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,224	-0.9	-0.1	-13.9	20.7
Saudi (NOMUC)	8,018	3.3	1.2	11.7	33.4
Energy	4,941	-0.5	-0.6	-9.2	21.5
Materials	4,572	-1.4	1.0	-11.5	NA
Capital Goods	3,787	-1.3	0.8	-12.6	28.0
Com. & Prof. Svc	3,732	-0.5	-0.4	-21.8	14.6
Transportation	3,720	-0.7	0.9	-15.4	22.5
Cons. Durables & Apparel	3,380	-2.1	1.2	-3.6	NA
Consumer Services	3,405	-1.1	-0.6	-14.0	8.6
Media	7,611	-1.6	-2.8	-19.0	23.6
Retailing	6,707	-0.3	0.2	-12.9	NA
Food & Staples Retailing	8,969	-0.2	-2.0	35.6	NA
Food & Beverages	4,976	-1.9	-3.7	14.3	41.6
Health Care Equipment	3,963	0.0	1.4	6.2	26.9
Pharma, Biotech & Life Science	3,826	-2.7	-1.9	6.4	NA
Banks	6,329	-1.0	-0.6	-21.9	12.3
Diversified Financials	3,143	-0.9	0.9	-4.8	NA
Insurance	4,485	-1.1	-0.3	-0.6	49.2
Telecommunication	6,412	0.0	0.1	-0.9	22.5
Utilities	3,455	-0.8	-1.8	-21.5	NA
REITs	3,682	0.0	1.3	-12.3	20.2
Real Estate	2,486	0.5	3.7	-20.6	NA

Sources: Bloomberg, Reuters, Tadawul

Saudi Market Update

- TASI closed 0.9% lower to 7,224 while NOMUC gained 3.3% to 8,018 on Tuesday. TASI traded value totaled SAR 5.9bn and averaged SAR 16.8bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 22.6% of the daily traded value.
- MSCI Emerging Markets closed 0.1% higher on Tuesday, trading at P/E (TTM) of 16.4x vs. 20.7x for TASI.
- Banks and Materials declined 1.0% and 1.4%, respectively. Telecom closed flat. Real Estate (up 0.5%) was the best performing sector. Among stocks, Arab Sea Information System Co. (9505/ARABSEA AB), The National Company for Glass Industries (2150/ZOUJAJ AB), and AlJazira Mawten REIT Fund (4331/ALJAZIRA AB), led the gainers.
- According to the General Authority for Statistics (GASTAT), KSA's GDP saw a decrease of 1% Y/Y to SAR 654bn (USD 174bn) in 1Q20. The oil sector's GDP declined by 4.6% Y/Y to SAR 263.1bn (USD 70.1bn) in the same period. The sector contributed 40.2% to the country's GDP during the quarter, down from 41.8% in the same period last year. *(Source: Argaam)*
- According to the Saudi Arabian Monetary Authority (SAMA), Saudi banks' investments in treasury bonds increased by SAR 7bn (USD 1.9bn) to SAR 420.1bn (USD 112bn) in May 2020 when compared to the month before. *(Source: Argaam)*
- Saudi Arabia's Communications and Information Technology Commission (CITC) published a rating index for telecommunication service providers in terms of complaints received during 1Q20. The total number of complaints retreated by 54% Y/Y to 8,481 complaint in 1Q20. *(Source: Argaam)*
- Dallah Healthcare Holding Co. (4004/DALLAH AB) signed the final agreement to acquire 78.59% stake, representing 2.38 million shares, in Makkah Medical Center Co. for a total value of SAR 161.1mn (USD 42.9mn). *(Source: Argaam)*
- National Commercial Bank (1180/NCB AB) completed the issuance of SAR 4.2bn (USD 1.1bn) worth of SAR denominated additional Tier 1 sukuk at a par value of SAR 1mn (USD 267k) through private placement, with settlement on June 30, 2020. *(Source: Argaam)*

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Arab Sea Information System Co.	37.65	4.0%	261
The National Company for Glass Industries	16.10	3.1%	12
AlJazira Mawten REIT Fund	13.10	2.7%	59
Abdullah Saad Mohammed Abo Moati for Bookstores Co.	16.32	2.6%	34
Wataniya Insurance Co.	24.82	2.6%	73

Source: Tadawul

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
City Cement Co.	16.14	-4.5%	89
Southern Province Cement Co.	54.30	-4.2%	24
Yanbu Cement Co.	28.00	-3.8%	55
Zahrat Al Waha for Trading Co.	49.10	-3.7%	20
Tabuk Cement Co.	12.24	-3.3%	54

Upcoming General Assembly Meetings

Company	Date
Alkhabeer REIT	5-Jul-20
Ash-Sharqiyah Development Co.	12-Jul-20
Jazan Energy and Development Co.	12-Jul-20
Fitaihi Holding Group	15-Jul-20
Tihama Advertising & Public Relations Co.	15-Jul-20
United Wire Factories Company	15-Jul-20

Source: Tadawul

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Dar Alarkan Real Estate Development Co.	7.10	-2.1%	388
Al Rajhi Bank	56.60	-1.1%	378
Arab Sea Information System Co.	37.65	4.0%	261
Alinma Bank	14.54	-0.8%	152
Seera Group Holding	16.00	-1.0%	152

Source: Tadawul

NOTES: *(1) Prices as of last trade. Updated as of June 30, 2020*
(2) WTD: Week to Date and YTD: Year to Date

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,065	-0.7	-1.0	-25.3	6.2
Abu Dhabi (ADX)	4,286	0.2	0.0	-15.6	13.7
Kuwait (KSE)	4,904	-0.3	-0.2	-12.2	25.7
Qatar (QE)	8,999	-0.6	-2.0	-13.7	14.2
Oman (MSM)	3,516	-0.1	-0.3	-11.7	10.0
Bahrain (BSE)	1,278	0.0	-0.1	-20.7	9.3
DJMENA Index	504	-0.5	-0.5	-16.7	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,100	1.5	3.0	-4.0	21.8
US (NASDAQ 100)	10,059	1.9	3.1	12.1	41.2
UK (FTSE 100)	6,170	-0.9	0.2	-18.2	22.2
Germany (DAX)	12,311	0.6	1.8	-7.1	23.3
France (CAC 40)	4,936	-0.2	0.5	-17.4	19.8
Russia (MICEX)	2,743	-0.9	-0.7	-9.9	7.1
Japan (Nikkei)	22,288	1.3	-1.0	-5.8	26.2
Hong Kong (HSI)	24,427	0.5	-0.5	-13.3	10.7
South Korea (KOSPI)	2,131	0.0	0.0	-3.0	24.8
China (SHCOMP)	2,985	0.8	0.2	-2.1	15.2
India (NIFTY)	10,302	-0.1	-0.8	-15.3	23.2
Brazil (IBOV)	95,056	-0.7	1.3	-17.8	35.9
Turkey (BIST 100)	1,16,525	0.6	1.6	1.8	9.3
Egypt (EGX30)	10,765	0.1	-1.2	-22.9	10.5
MSCI Emerging Markets	995	0.1	-0.4	-10.7	16.4
MSCI World	2,202	1.2	2.1	-6.6	21.4

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude ($/bbl)	41.2	-1.3	0.3	-37.7	-36.8
Natural Gas ($/mmbtu)	1.8	2.5	13.7	-20.0	-28.7
Gold ($/oz)	1,781	0.5	0.5	17.4	28.7
Silver ($/oz)	18.2	2.0	2.3	2.0	20.2
Platinum ($/oz)	829	1.8	2.9	-14.2	-0.4
Copper ($/t)	6,005	0.9	0.8	-2.3	1.1
Zinc ($/t)	2,037	-0.9	-0.1	-10.6	-19.5
Lead ($/mt)	1,789	0.3	0.6	-7.0	-7.0
Wheat ($/bu)	492	1.1	3.4	-12.0	-10.7
Corn ($/bu)	342	3.9	6.6	-11.9	-18.2
Sugar ($/lb)	12.0	1.6	2.9	-10.9	-13.3

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	0.30	0.00	-1.61	0.00
Saudi Arabia	0.99	0.00	-1.25	0.69
UAE	0.72	0.18	-1.49	0.43
Kuwait	1.63	0.00	-1.13	1.33
Qatar	1.16	0.13	-1.09	0.86
Bahrain	2.25	0.00	-0.42	1.95

Source: Reuters

NOTES:

(1) Prices updated as of June 30, 2020(2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Tuesday. S&P 500 and NASDAQ gained 1.5% and 1.9%, respectively. Dow Jones Industrial closed 0.9% higher. In Europe, UK decreased 0.9%. Germany closed 0.6% higher, while France closed 0.2% lower.
- Asian markets are trading mostly higher on Wednesday. China is up 0.9%, while Japan is down 0.3%. South Korea is trading 0.8% higher. Hong Kong is closed for trading, while India is up 0.3%, in the morning session.
- GCC markets ended mixed on Tuesday. Dubai decreased 0.7%, while Abu Dhabi increased 0.2%. Kuwait and Qatar declined 0.3% and 0.6%, respectively. Oman closed 0.1% lower, while Bahrain closed flat.
- Japan's Industrial Production for May 2020 stood at 8.4% M/M, -25.9% Y/Y (prior:-9.8% M/M, -15% Y/Y). *(Source: Trading Economics)*
- Bahrain has announced the extension of its stimulus measures to support private sector jobs and citizens. Over a three-month period starting from July 2020, the Government will support 50% of salaries for insured citizens employed in the private sector working for companies most affected by the coronavirus (Covid-19), under a scheme administrated by the Ministry of Labour and in cooperation with relevant entities. *(Source: Trade Arabia)*
- UAE's Telecommunications Regulatory Authority (TRA) has announced that the 2G network (GSM) in the country UAE will be shut down at the end of 2022, with resources being directed to 5G to support new generations of mobile networks. TRA indicated that UAE service providers will provide all means of support to groups that may be affected by the 2G shutdown. *(Source: Trade Arabia)*
- Dubai Multi Commodities Centre has signed an agreement with China's Guangzhou Diamond Exchange . The memorandum of understanding aims to strengthen the bilateral ties between the UAE and the People's Republic of China and creates new trading opportunities across the diamond industry. *(Source: Trade Arabia)*
- According to the International Air Transport Association, Middle Eastern carriers reported a decline of 25% Y/Y in cargo demand in May, a significant improvement from the 36.2% fall in April. Despite a number of carriers in the region maintaining some cargo capacity, traffic on all key routes was low. International capacity decreased 24.4%. *(Source: Trade Arabia)*
- According to reports, the UAE has kept fuel prices unchanged for July 2020, marking the fourth month in a row. The per-litre prices of Super 98-octane gasoline, Special 95-octane gasoline, diesel, and E-Plus 91 will be maintained at AED 1.91, AED 1.80, AED 2.06, and AED 1.72, respectively, including a 5% value-added tax (VAT). *(Source: Decypha)*

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended June 26 (prior: 1.4mn barrels) will be announced today. *(Source: Trading Economics)*
- US jobless claims for the week ended June 27 (prior: 1.5mn) will be announced on July 2. *(Source: Trading Economics)*
- US Markit Composite PMI for June 2020 (prior: 37; consensus: 46.8) will be announced on July 6. *(Source: Trading Economics)*

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